

The Problem: The Healthcare Industry Needs a Single, Composite Measure of Value

As our healthcare system continues to move from volume to value-based care, payers and providers need a roadmap to guide them on the path to transformation. The Institute for Healthcare Improvement (IHI) Triple Aim — the dominant paradigm for achieving high-value healthcare — urges the pursuit of three linked goals: improving the patient experience of care, improving population health and reducing per capita costs. But how can payers determine whether a healthcare delivery system is meeting these goals? And how can healthcare organizations and providers chart a course for success, both in delivering and demonstrating high-value care? The industry currently lacks a standard metric to assess accountable care “value” that complements cost.

“It’s about better health outcomes for our members, which in turn, help control costs.”

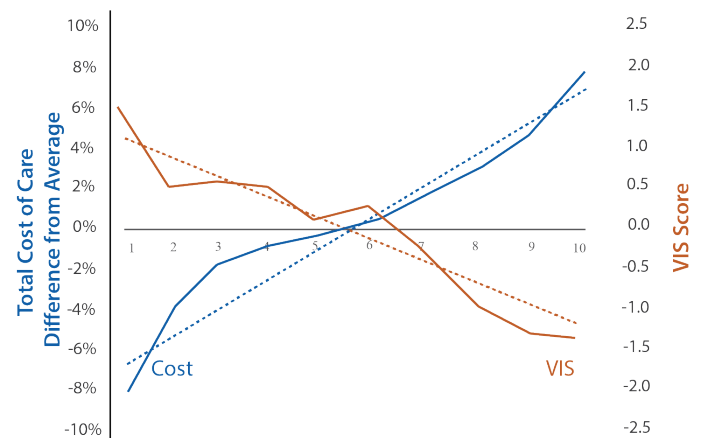
SHERYL TERLOUW, DIRECTOR OF NETWORK INNOVATION, WELLMARK BLUE CROSS BLUE SHIELD

The Solution: Treo’s Value Index Score

Treo’s Value Index Score (VIS) is a new population-centric value measure that complements existing quality and total cost-of-care metrics. The VIS is an enterprise tool for measuring system change and the components necessary for that change. It enables efficient, continuous and objective measurement of the processes and outcomes that lead to value for the the full spectrum of primary care and the patient.

VIS is a composite measure that is based upon six critical primary care domains, which are derived from 16 measures of key processes and outcomes that lead to value in healthcare. It clearly quantifies how well a provider takes care of his or her entire patient population within a system of care. This gives VIS great value for enhancing understanding of overall provider and system performance, which helps to accelerate (and prioritize areas for) improvement.

Cost-Value Relationship



Better VIS performance is associated with lower Total Cost-of-Care (TCC)

Who Should Use VIS?

JOB TITLE	NEEDS
PCP/Specialist (Providers)	<ul style="list-style-type: none"> “I need an objective way to be fairly measured on my performance in delivering value against the principles of accountable primary care.”
Accountable Care Organization Leadership	<ul style="list-style-type: none"> “I need a set of tools to help identify where system deficiencies exist and where to focus improvements.” “I need an objective assessment tool that can help drive incentive prioritization across the network to promote system improvement.”
Vice President of Network Relations (Payers)	<ul style="list-style-type: none"> “I need a tool to help define product offerings that will ensure high value and low cost as the market becomes more competitive.” “I need an objective value measure that complements cost to help properly narrow a network.”

Value Index Score Snapshot

The VIS, built on proven principles of high quality primary care, has been adopted for payment and reporting by a number of providers and payers who want to align incentives and behaviors to achieve the IHI Triple Aim.

Value Index Scores (VIS)

Key Performance Measure	Rolling 12 months 10/2011-09/2012	
Value Index Score	39.8 %	
Primary and Secondary Prevention	43.3 %	
Tertiary Prevention	31.2 %	
Panel Health Status Change	66.2 %	
Continuity of Care	47.5 %	
Chronic & Follow-up Care	29.8 %	
Efficiency	53.9 %	

Budget Basis

Base risk score	0.999
Current risk score	1.191
Base budget	\$339.80
Current budget	\$405.10
VIS Best Practice Target	80.02 %
VIS All Domain Target	51.80 %
VIS All Domain Score	39.84 %

Value Index Score Key Features

BENEFITS

- Low administrative burden because it is built from claims data (no special, costly data collection required)
- Holistic system measurement that can influence the IHI Triple Aim
- Risk-adjusted when appropriate to account for differing panel composition

FEATURES

- Measures primary care accountability within the healthcare system
- Offers transparent access to domain and measure values that drive the composite
- Aligns micro and macro aspects of care delivery
- Provides continuous evaluation and feedback

CAPABILITIES

- Develop incentive-based programs to reward high performers, complementing cost savings
- Identify opportunities for system improvement and transform interactions
- Inform the design of narrow networks to ensure goals can be met
- Support the migration from volume to value-based delivery systems

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